

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: INTERSTATE POWER COMPANY	DOCKET NO. PGA-99-64
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ORDER DOCKETING ANNUAL RECONCILIATION

(Issued November 1, 1999)

On October 1, 1999, Interstate Power Company (Interstate) filed with the Utilities Board (Board) its annual purchased gas adjustment reconciliation for its customers served on the Natural Gas Pipeline system. Pursuant to IOWA ADMIN. CODE 199-19.10(7) (1999), each natural gas utility is required to file on or before October 1 of each year a reconciliation of each customer class's actual net invoiced costs for purchased gas with actual purchased gas adjustment (PGA) revenue collected.

If the calculation results in an undercollection, the total uncollected dollars are divided by the anticipated sales volumes for the prospective ten-month period beginning November 1 and the resulting quotient becomes a part of the prospective ten-month PGA. If the calculation results in an overcollection of over 3 percent of the annual cost of purchased gas subject to recovery, the overcollection must be refunded by bill credit or check. If the overcollection is 3 percent or less of the annual cost of purchased gas subject to recovery, it may be refunded through an adjustment to the PGA for the prospective ten-month period.

Staff has been working with the utility to correct possible errors in Interstate's workpapers and to determine additional documentation necessary to support Interstate's calculations, but the process is not complete. Therefore, the Board will docket the filing for further investigation. Interstate must not implement the derived quotient in the prospective purchased gas adjustment until the reconciliation has been approved by the Board. The Board will not set a procedural schedule at this time.

IT IS THEREFORE ORDERED:

The purchased gas adjustment reconciliation, identified as PGA-99-64, filed by Interstate Power Company on October 1, 1999, is docketed for further investigation.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr.
Executive Secretary

Dated at Des Moines, Iowa, this 1st day of November, 1999.